

**Exhibit A - Annual Rate Adjustment Mechanism**  
**Calculation of Water Territory 1 Rate Adjustment**

**Line No.**

1			<b>Notes</b>
2	Annualized Consumption	515,419,553	Schedule A
3	Annualized Number of Bills	95,336	Schedule A
4			
5	<b>Average Consumption</b>	<b>5,406</b>	= 2 / 3
6			
7	Change in Purchased Water Expense	\$ 379,750	Schedule B
8	Balance in Deferred Regulatory Asset	\$ 459,203	Schedule C
9			
10	Adjustment to Commodity Rate - Change in Expense	\$ 0.74	= (7 / 3) / (5 / 1000)
11	Adjustment to Commodity Rate - Deferred Regulatory Asset	\$ 0.89	= (8 / 3) / (5 / 1000)
12			
13	<b>Total Adjustment to Commodity Rate - Water Territory 1 \$ 1.63</b>		= 10 + 11

**Exhibit B - Annual Rate Adjustment Mechanism**  
**Calculation of Water Territory 2 Rate Adjustment**

**Line No.**

1			<b>Notes</b>
2	Annualized Consumption	92,437,185	Schedule A
3	Annualized Number of Bills	22,903	Schedule A
4			
5	<b>Average Consumption</b>	<b>4,036</b>	= 2 / 3
6			
7	Change in Purchased Water Expense	\$ 59,434	Schedule B
8	Balance in Deferred Regulatory Asset	\$ 46,764	Schedule C
9			
10	Adjustment to Commodity Rate - Change in Expense	\$ 0.64	= (7 / 3) / (5 / 1000)
11	Adjustment to Commodity Rate - Deferred Regulatory Asset	\$ 0.51	= (8 / 3) / (5 / 1000)
12			
13	<b>Total Adjustment to Commodity Rate - Water Territory 2 \$ 1.15</b>		= 10 + 11

## Exhibit C - Annual Rate Adjustment Mechanism

### Calculation of Waste-Water Territory Rate Adjustment

#### Line No.

<b>1</b>	<b><i>Residential &amp; Commercial Customers</i></b>		<b>Notes</b>
2	Annualized Number of Wastewater Bills	166,775	Schedule A
3	Change in Purchased Wastewater Expense	\$ 669,801	Schedule A & B
4	Balance in Deferred Regulatory Asset	\$ 618,535	Schedule A & C
5			
6	Adjustment to Monthly Flat Rate - Change in Expense	\$ 4.02	= (3 / 2)
7	Adjustment to Monthly Flat Rate - Deferred Regulatory Asset	\$ 3.71	= (4 / 2)
8			
9	<b>Total Adjustment to Monthly Flat Rate</b>	<b>\$ 7.72</b>	<b>= 6 + 7</b>
10			
11			
12			
<b>13</b>	<b><i>Mobile Home (Residential)</i></b>		<b>Notes</b>
14	Annualized Number of Wastewater Bills	1,994	Schedule A
15	Change in Purchased Wastewater Expense	\$ 5,845	Schedule A & B
16	Balance in Deferred Regulatory Asset	\$ 5,397	Schedule A & C
17			
18	Adjustment to Monthly Flat Rate - Change in Expense	\$ 2.93	= (15 / 14)
19	Adjustment to Monthly Flat Rate - Deferred Regulatory Asset	\$ 2.71	= (16 / 14)
20			
21	<b>Total Adjustment to Monthly Flat Rate</b>	<b>\$ 5.64</b>	<b>= 18 + 19</b>
22			
23			
24			
<b>25</b>	<b><i>The Village Sewage Collection (Residential)</i></b>		<b>Notes</b>
26	Annualized Number of Wastewater Bills	4,041	Schedule A
27	Change in Purchased Wastewater Expense	\$ 8,443	Schedule A & B
28	Balance in Deferred Regulatory Asset	\$ 7,797	Schedule A & C
29			
30	Adjustment to Monthly Flat Rate - Change in Expense	\$ 2.09	= (27 / 26)
31	Adjustment to Monthly Flat Rate - Deferred Regulatory Asset	\$ 1.93	= (28 / 26)
32			
33	<b>Total Adjustment to Monthly Flat Rate</b>	<b>\$ 4.02</b>	<b>= 30 + 31</b>